

VIA CERTIFIED MAIL:

December 3, 2023

United States District Court
Middle District of Tennessee
Office of the Clerk
719 Church Street
Nashville, TN 37203

Mr. Ross M. Johnson & Tucker Herndon
Attorneys at Law
Burr & Forman, LLP
222 Second Ave. S., Suite 2000
Nashville, TN 37201

REGARDING Civil Action No. 3.23-cv-01144

PLAINTIFF: Oakworth Capital Bank & **DEFENDANT:** Timothy J. Morris

Attention Office of the Clerk:

I as the named Defendant, Timothy J. Morris in that above matter am writing on my own behalf and without representation of counsel as I have been dealing with some personal health issues and was unable to respond to the complaint in the required time frame. 6101 Sligo, LLC and Timothy J. Morris, as Guarantor respectfully submit the following responses to the Civil Action No. 3.23-cv-01144 and request the Court's indulgence in providing an extension of the required response submission timing:

As to Count 1 – Breach of Note (Sligo LLC).

Response: Agree as Stated

As to Count 2 - Breach of Guaranty (Morris)

Response: Disagree, as it is my position that the collateral related to the loan in question is more than sufficient to cover the outstanding loan balance and any back due interest and penalties. Plaintiff engaged an appraisal on the collateral date June 9, 2023 by a Third-Party Licensed Appraiser who presented an "As Is" Valuation of the collateral of \$10,000,000. A copy of the appraisal is included as an Exhibit to this response. With \$10,000,000 of loan collateral Plaintiff could be made financially whole if Defendant provides a Deed in Lieu of Foreclosure for the collateral, as a potential solution to this matter. (See Attached Appraisal Executive Summary Pages).

As to Count 3 – Unjust Enrichment (Defendants)

Response: Disagree, see response to Count #2 above.

Respectfully Submitted,



Timothy J. Morris
On Behalf of Defendants
Encl.

6001 HWY A1A, PMB 8359 Vero Beach, FL 32963

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Middle District of TN

APPRAISAL OF REAL PROPERTY

Sligo Mill Apartments
6101 Sligo Mill Rd NE
Washington, D.C. 20011

IN AN APPRAISAL REPORT

As of June 9, 2023

Prepared For:

Oakworth Capital Bank
850 Shades Creek Parkway
Birmingham, AL 35209

Client ID: C23-00321

Baltimore/Washington Economic &
Development Fund I, LP
c/o BWEDF Advisors, LLC
PO Box 7127, Novi, MI 4837

Prepared By:

Cushman & Wakefield of Washington, D.C., Inc.
Valuation & Advisory
2101 L Street NW, Suite 700
Washington, D.C. 20037
Cushman & Wakefield File ID: 23-26001-900567-001



Sligo Mill Apartments
6101 Sligo Mill Rd NE
Washington, D.C. 20011



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June 14, 2023

ARC Job Manager
Oakworth Capital Bank
850 Shades Creek Parkway
Birmingham, AL 35209

Baltimore/Washington Economic & Development Fund I, LP
c/o BWEDF Advisors, LLC
PO Box 7127, Novi, MI 48376

Re: Appraisal Report

Sligo Mill Apartments
6101 Sligo Mill Rd NE
Washington, D.C. 20011

Cushman & Wakefield File ID: 23-26001-900567-001
Client ID: C23-00321

Dear Sir or Madam:

In fulfillment of our agreement as outlined in the Letter of Engagement, we are pleased to transmit our appraisal of the above referenced property in the following Appraisal Report.

The subject, Sligo Mill Apartments, is an under-construction 50-unit low/mid-rise multifamily property situated on 1.1 acres. The property currently consists of 1 building that is 4 stories in height and in shell condition. The property totals 51,643 square feet of gross building area and will total 39,981 square feet of net rentable area upon completion. There will be surface parking provided for residents. Renovation/reconfiguration has already begun, with completion estimated to be January 2025.

Based on the agreed-to Scope of Work, and as outlined in the report, we developed the following opinions:

Value Conclusion	Real Property Interest	Date of Value	Value Conclusion
Appraisal Premise			
Market Value As-Is	Fee Simple	June 9, 2023	\$10,000,000
Prospective Market Value Upon Completion	Fee Simple	January 1, 2025	\$22,400,000
Prospective Market Value Upon Stabilization	Leased Fee	June 1, 2025	\$22,800,000
Insurable Value	N/A	June 9, 2023	\$10,400,000

Compiled by Cushman & Wakefield of Washington, D.C., Inc.

In recent times, the CRE market has been driven by investor demand and strong liquidity. Asset values can fall significantly in short periods of time if either of these two factors, often in conjunction with many others, change significantly. While Cushman & Wakefield is closely monitoring the latest developments resulting from the COVID-

19 pandemic, and will continue to provide updates as events unfold, the reader is cautioned to consider that values and incomes are likely to change more rapidly and significantly than during standard market conditions. Furthermore, the reader should be cautioned and reminded that any conclusions presented in this appraisal report apply only as of the effective date(s) indicated. The appraiser makes no representation as to the effect on the subject property(ies) of this event, or any event, subsequent to the effective date of the appraisal.

Extraordinary Assumptions

For a definition of Extraordinary Assumptions please see the Glossary of Terms & Definitions. The use of extraordinary assumptions, if any, might have affected the assignment results.

It is assumed that the proposed improvements are constructed in a quality manner in accordance with the information communicated to us by the developer. If the design or quality differs from that which has been considered herein, the value conclusions could be impacted accordingly. Any undue delay in the construction timeline could materially impact the value conclusion reported herein.

The prospective fair value estimate is based upon market participant attitudes and perceptions existing as of the effective date of our appraisal, and assumes the subject property achieves stabilization as of our prospective dates. We assume no material change in overall market conditions between the date of inspection and effective dates of value.

Hypothetical Conditions

For a definition of Hypothetical Conditions please see the Glossary of Terms & Definitions. The use of hypothetical conditions, if any, might have affected the assignment results.

This appraisal does not employ any hypothetical conditions.

This letter is invalid as an opinion of value if detached from the report, which contains the text, exhibits, and Addenda.

Respectfully submitted,

CUSHMAN & WAKEFIELD OF WASHINGTON, D.C., INC.



Chase Pike, MAI, CCIM
Executive Director
District of Columbia Certified General Appraiser
License No. GA1229
chase.pike@cushwake.com
202-407-819 Office Direct

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Middle District of TN

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Case # 29

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ORIGIN ID: FPA (772) 231-0021 TIM MORRIS 505 BEACHLAND BLVD STE 1 VERO BEACH, FL 32963 UNITED STATES US	SHIP DATE: 04DEC23 ACTWGT: 0.20 LB CNO: 114523964/MSX13600 BILL SENDER
TO: OFFICE OF THE CLERK UNITED STATES DISTRICT COURT 719 CHURCH ST STE 1300 MIDDLE DIST. OF TENNESSEE NASHVILLE TN 37203	
(248) 766-2254 INV. PKG ID: 264888 PO:	REF: TIM MORRIS DEPT:
	
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